

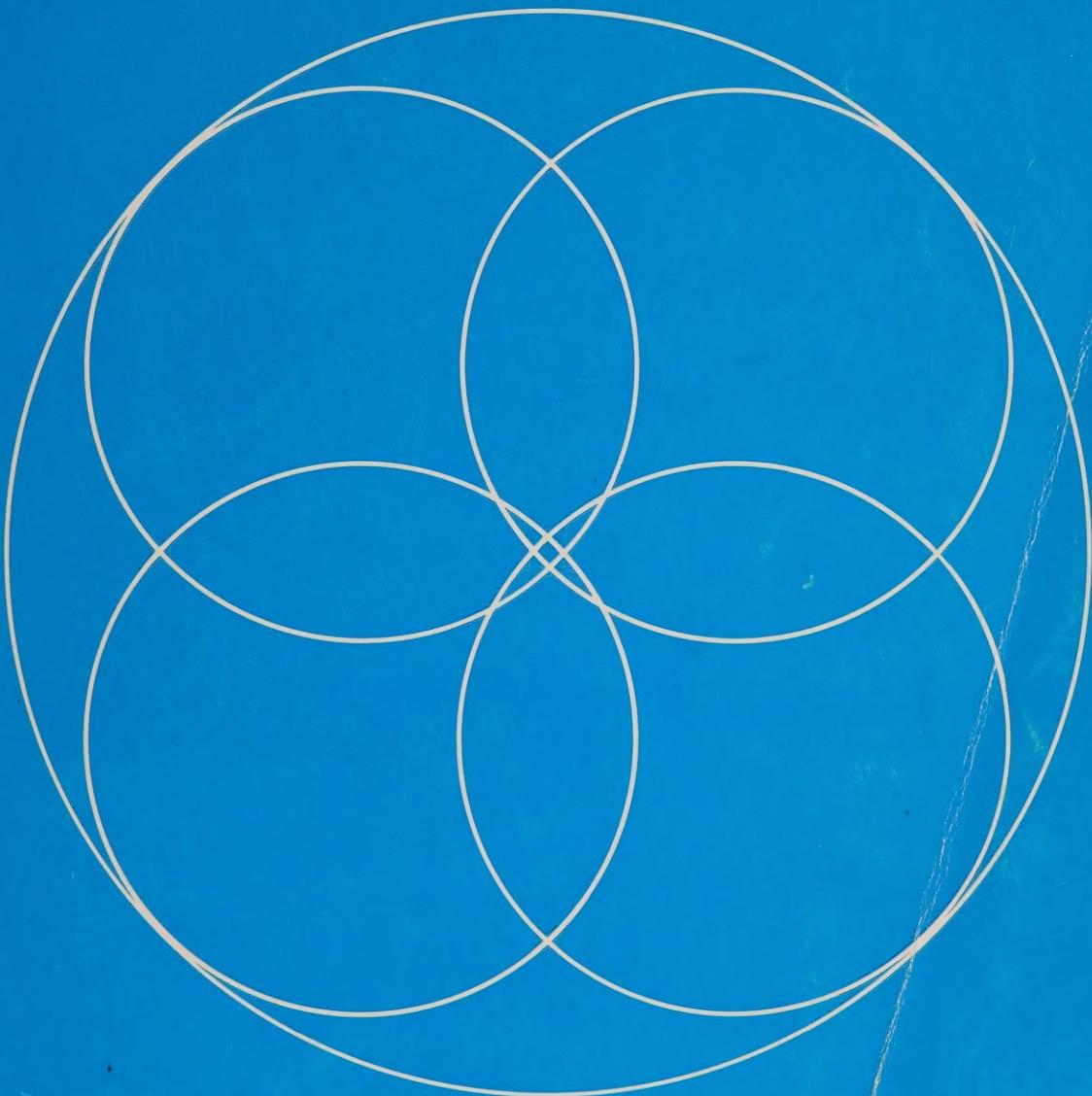
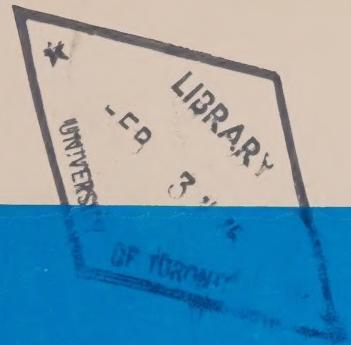
Local Government  
Management Project

General publications  
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CA20NTR 825  
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Publications

# Project Overview Statement





CAQONTR 825  
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Local Government  
Management Project

# Project Overview Statement

December 1974

A Joint Project of

The Ministry of Treasury, Economics and Inter-governmental Affairs, Province of Ontario

The Cities of London, Ottawa, and St. Catharines and  
The Regional Municipality of Niagara

The School of Business, Queen's University at Kingston

Price \$1.00

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Office of the  
Treasurer  
of Ontario

Ministry of Treasury  
Economics and  
Intergovernmental  
Affairs

416/965-6361

Frost Building  
Queen's Park  
Toronto Ontario

December 1974

Municipalities and other local government organizations have been attempting for some time to cope with increasing demands for services on the one hand, and pressures to maintain costs at existing, or decreased levels, on the other. It is becoming more difficult for many municipalities to meet these conflicting demands.

In an attempt to solve the problem, attention has been focused on various methods of improving the management process in local government, at both the council and staff levels. Some of these approaches include internal restructuring, program budgeting, performance measurement, management and organizational development, and improved management information systems.

The central theme of all these approaches is the establishment of a clear definition of the goals and objectives of the organization, coupled with appropriate measures of performance. Unless the use of goals and objectives is clearly understood the effectiveness of these various approaches is not fully realized.

The Local Government Management Project has been designed to study the role of goal and objective setting in local government organizations. This involves the implementation of a broadly-conceived goals and objective setting system in four Ontario municipalities, London, Ottawa, St. Catherines and the Regional Municipality of Niagara, over a four-year period.

I believe their experience and the results achieved so far will be of assistance, not only to those in the four participating municipalities, but also to many municipal officials who are attempting to cope with the increasing demands placed upon them.

The project is sponsored by the Ministry of Treasury, Economics and Intergovernmental Affairs and is funded jointly by our ministry and the four municipalities. It is being carried out by a project team from the School of Business, with the support of the Institute of Local Government at Queen's University.

This first publication provides an overview of the project which has been in the development stage for two years. A number of additional publications are planned during the coming years and I recommend them to you.

A handwritten signature in black ink, appearing to read "John White".

John White



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## Preface

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The Local Government Management Project was officially approved by the Ministry of Treasury, Economics and Intergovernmental Affairs, the four participating municipalities and Queen's University during the early summer of 1974. During the two years prior to approval, the form and content of the Project had evolved through a number of evolutionary stages and a large number of individuals contributed to its design.

The critical need for a systematic approach to the development of goals and objectives in local government was initially recognized and discussed in seminars sponsored by the Institute of Local Government, Queen's University, during the summers of 1971 and 1972. As a result of municipal interest in the subject, the Ministry hosted a meeting of local government officials in the fall of 1972 at which time the Project Principals suggested the possibility of a long term development program to meet local government management needs. Local government representatives indicated a high degree of interest in an extensive project aimed at improving the efficiency and effectiveness of local government operations through the use of a system of goals and objectives.

As a result of the strong municipal interest, the Ministry agreed to underwrite the costs of an exploratory study of management and organizational development in municipalities in North America and elsewhere. This search resulted in the gathering of a great deal of material from a wide variety of municipalities, associations and institutes, and culminated in the development of a suggested project which was explained during a three-day seminar in the summer of 1973. The seminar, which was conducted as a means of further testing the feasibility of a long range project, was attended by representatives of sixteen Ontario municipalities.

The nature of the proposed project was discussed, criticized and refined by the participants at the June 1973 seminar. Again, the interest in the proposal was very high.

Continued expression of municipal interest following the seminar encouraged the Ministry to invite the undersigned to submit the details of a four year project aimed at the implementation and documentation of a broadly conceived system of goals and objectives in a number of Ontario municipalities. The ensuing year was devoted to various stages of project refinement and approval at various levels.

Although the Project is still in its infancy, a great deal of thought and work on the part of a large number of individuals has contributed to the design as it now stands. Among the individuals who supported the idea from the outset are the elected and appointed officials of the four municipalities which are taking part in the Project. In addition, there were many other elected and appointed municipal officials who offered their suggestions and encouragement. At the Ministry a number of individuals worked very hard at guiding the Project through various stages of approval. At Queen's University, assistance was received from several faculty members of the School of Business, as well as from the Institute of Local Government.

The Project is innovative and adaptive in nature. It is hoped that much will be learned which can be communicated to those local governments in Ontario, and elsewhere, which are searching for similar approaches to deal with the issues involved in managing complex local government organizations.

V. N. MacDonald  
J. R. Nininger  
School of Business  
Queen's University at Kingston



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# **Project Highlights**

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## **Project Goal**

The goal of the Project is to assist those involved with the delivery of local government services to improve the operation of local government through the use of a broadly conceived system of goals and objectives.

## **Project Objectives**

The main objectives are to develop, document, and evaluate by March 1978, in co-operation with the Ministry and the four project municipalities, a broadly conceived system of goals and objectives which will provide suggested guidelines for the development of similar systems in local government organizations in Ontario and elsewhere.

## **Project Description**

The Local Government Management Project is a four year project designed to implement a broadly conceived goal and objective setting system in four Ontario municipalities, and to document and study the implementation experiences.

## **Goal and Objective Setting — A Definition**

A system of goals and objectives is a system of planning and review wherein overall goals and objectives are specified for the municipality for an agreed upon period of time. In turn, these are translated into specific objectives for the various departments and other agencies, as well as individual managers within the municipality. At various times during the period the attained objectives are compared to the original or revised objectives for purposes of determining progress toward expected results.

## **Participating Municipalities**

Four municipalities are participating in the Project. They are:

- The City of London. A City with a population of 240,000 which uses a Council-Board of Control-Chief Administrative Officer structure.
- The City of St. Catharines. A City with a population of 120,000 using a Council-City Administrator structure.
- The City of Ottawa. A City of 300,000 using a Council-Board of Control-Commissioner structure.
- The Regional Municipality of Niagara. A regional government, incorporated in 1970, encompassing 12 area municipalities with a total population of 350,000, using a Regional Council-Committee structure.

## **Initiating Agency**

The Project was initiated and is being co-ordinated by the Advisory Services Branch, Ministry of Treasury, Economics and Intergovernmental Affairs, Province of Ontario. The Ministry is primarily concerned with seeing that the experiences of the four project municipalities are documented and made available to other municipalities. In addition, the Ministry has appointed liaison personnel for each of the project municipalities.

## **Project Team**

The implementation and evaluation of the goal and objective setting system is being carried out by a team from the School of Business, Queen's University. The Project Principals, V.N. MacDonald and J.R. Nininger, have studied the use of goal and objective setting systems in municipalities in North America, England and Europe for the past three years. The Project Team consists of a staff of four full-time and three part-time individuals in addition to the Project Principals.

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### **Project Leader and Task Force**

Each of the four municipalities has appointed a Project Leader to oversee the implementation of the goal and objective setting process. As well, each municipality has a Project Task Force to assist the Project Leader. The size, operating methods and membership of the Task Force, and the Project Leaders' responsibilities differ in each municipality.

### **Project Timetable**

The approximate timetable for the Project is as follows:

#### **March 1975**

Completion of study of information systems, initial workshops in goal and objective setting at department level, and initial documentation.

#### **March 1976**

Completion of workshops at council (given council agreement) and sub-department level. Refinement of department level goals and objectives. Completion of second stage of documentation.

#### **March 1977**

Completion of objective setting at individual manager level. Refinement of goals and objectives at council, department and sub-department level. Completion of third stage of documentation.

#### **March 1978**

Refinement of objectives at all levels. Completion of documentation.

### **Documentation and Evaluation**

One of the primary aims of the Project is to fully document the experiences of the four municipalities as they develop their own systems of goal and objective setting. Periodic reports will be issued reviewing the experiences and indicating lessons which have been learned. Another primary aim of the Project is to evaluate the effectiveness of the Project in meeting its goal and objectives.

### **Publications**

A number of documents relating to various aspects of goal and objective setting have been written by the Project Team. These publications, which include technical papers, case studies, and the experiences of the project municipalities to date, are available through the Ontario Government Publications Centre.

### **Project Funding**

The Project is being funded by the Ministry of Treasury, Economics and Intergovernmental Affairs and the four participating municipalities.

# Project Goal and Objectives

## Project Goal

The goal of the Local Government Management Project is to assist those involved in the delivery of local government services to improve the efficiency and effectiveness of local government operations through the use of a broadly conceived system of goals and objectives.

## Project Objectives

### *Long-Term Objectives*

- 1 To develop by March 1978, in co-operation with the Ministry and the four project municipalities, a broadly conceived system of goals and objectives which will provide guidelines for the development of similar systems in local government organizations in Ontario and elsewhere.
- 2 To assist each of the four project municipalities in the development and implementation of a goal and objective setting system during the period July 1974 to March 1978.
- 3 To complete an evaluation of the effectiveness of a system of goals and objectives in assisting both elected and appointed officials to better manage municipal organizations by March 1978.
- 4 To complete by March 1978, reference material which can be used by local governments wishing to implement all or various parts of a system of goals and objectives.

### *Short Term Objectives*

- 1 To commence the implementation of a system of goals and objectives in the four project municipalities by:
    - a examining and documenting the existing information and decision-making systems in the four municipalities by December 1974;
    - b conducting workshops in goal and objective setting and the development of performance indicators at the departmental level in the four municipalities by the end of March 1975;
    - c assisting administrators in the writing of goals and objectives and the development of performance indicators in the four municipalities on an individual and group basis by assigning a member of the Project Team to each of the four municipalities;
  - d assisting the four municipalities in establishing a preliminary set of departmental level goals and objectives by June 1975;
  - e to act as a liaison among the four project municipalities by using a variety of communication devices, including regular meetings of the four Project Leaders.
- 2 To document the implementation experiences of the four project municipalities by:
    - a making available by April 1975, a document describing the implementation experiences of the project municipalities covering the period from the beginning of their involvement with the Project through to December 1974;
    - b publishing yearly progress reports of the experiences of the project municipalities in developing and using a system of goals and objectives.
  - 3 To commence the evaluation of the system of goals and objectives by obtaining base line information as follows:
    - a completing by December 1974, a study of the existing management systems in use in each of the municipalities prior to the start of the change process. Changes in these systems will be monitored over the course of the study;
    - b determining the state of management practices in each of the municipalities by gathering information pertaining to the practice and impressions of local government officials by December 1974, and observing changes in these practices and impressions over the course of the Project.

## A Description of the System

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Basically the process to be implemented focuses upon the development of a system of goals and objectives which vertically and horizontally integrates the efforts and resources of all levels and agencies of local government. Although goal and objective setting forms the backbone of the system, two important aspects of the approach need to be emphasized before a description of the process is fully meaningful:

- a the system itself is intended to be an open system which will evolve and adapt to suit the particular needs and circumstances of any specific municipality and, in fact, of the various departments within that municipality. This means that a variety of processes, structures and timings of implementation will result. This variation in application should facilitate enriched documentation and evaluation, and increase the relevance of the knowledge obtained from this Project to a wider cross-section of additional municipalities;
- b the system will not be restricted to goal and objective setting in the usual sense. Aspects of many other approaches to the improvement of management skills in local government will be incorporated. Among these will be changes in the information system, improved measurement of efficiency and effectiveness, interpersonal and intergroup behavioural training and comprehensive planning and reorganization on an objective basis once firm objectives have been determined.

This description will focus first on some definitions, followed by an outline of what the system is, and concluding with what the system is not.

### Definitions

It is important to understand the definitions of certain terms; namely, goals, objectives, and results. These terms have been defined and used in a variety of ways and it is essential to remain consistent in the use of these terms.

### Goal

A goal is a general statement which describes the purpose and direction for the organization. Goals identify the mission of the organization — its reason for existence. Goals are typically derived from an identification of the needs of the individuals and the society which the organization services.

### Objectives

Objectives, which are derived from goals, are specific statements of what is to be accomplished in measurable terms. They are stated in terms of some results which can be expected within a specified time period. Objectives provide the criteria for evaluating the success of municipal programs.

### Results

The measured performance of the actual level of achievement of objectives.

### The System

An operating system of goals and objectives can be regarded as consisting of at least three interrelated vertical decision-making levels and a number (depending upon the structure of the municipality) of interrelated horizontal subsystems (departments of the municipal administration and other community commissions and agencies).

The limits of the horizontal subsystems are defined by the agencies and departments of local government. Managers in each of these subsystems have been implicitly involved in the setting of goals and objectives prior to the introduction of this process. The formal process is intended to make goal and objective setting explicit, systematic and interrelated so that resources can be maximized and directed to meet the most urgent community needs.

The application of the goal and objective setting process to the various vertical decision-making levels of local government will be described in more detail.

### Strategic Goals and Objectives

Strategic planning refers to the process of setting comprehensive and inclusive goals and objectives for the municipality. Seven distinct but interrelated tasks have been identified by various sources as forming part of the strategic planning process. They are:

- 1 Definition of the limits of the local government's authority, responsibility and influence;
- 2 Determination of the major problems facing the community and discovery of the desires and needs of the community;
- 3 Examination of these problems and the alternative approaches to solutions with full consideration of the capabilities of administrative departments and committees;
- 4 Elimination of problems which are peripheral in importance and alternative outcomes which are obviously impractical;
- 5 Referral of alternatives and desired outcomes to the administrators for further analysis, regarding the practicability of achievement, relative costs, administrative capability and potential methods of achievement;
- 6 Setting of policy goals and objectives upon receipt of feedback from administrators;
- 7 Communication of these goals and objectives to the administration and to the community.

With or without a strategic planning process, the elected representatives (mayor and council) will set goals and objectives which influence the quality of life of municipal residents and the direction of the municipality. The role of strategic planning is to help them to do this more effectively. Strategic planning requires the input to the elected body of information from several sources. These include:

- information from the environment — specifically the needs of the residents in the community and their desires for future services;
- economic potential analysis and technological and social trends;
- demographic projections;
- the potential and existing capability of the municipal administration to supply the services to fill these needs;
- effects of provincial or federal legislation on decisions which might be made by council;
- effects of existing or pending local legislation on the decisions which might be made by council;
- the present and future ability of the municipal administration to meet the needed levels of services at acceptable costs.

Using this information, the elected representative will be able to determine the speed with which progress can be made toward particular goals and objectives and will be greatly aided in determining the priority of various goals and objectives. Furthermore, council will be able to determine the desirable level of taxation for municipal residents, considering at least tentatively the overall costs and benefits of achieving desired goals and objectives, and will be better able to inform residents what implications various levels of service have for levels of taxation.

Some of the benefits to be derived from the use of a formal process of strategic goals and objectives by elected representatives are:

- the municipality takes steps to determine its future on a more rational basis;
- a sense of unity and purpose is introduced into the affairs of the local authority;
- the objectives of the municipality are defined in relation to its present and foreseeable needs and problems;
- a climate is created which enables the organization to group skills in different ways, according to the different programs established to deal with municipal needs and problems;
- the activities of the local authority are considered as a whole rather than on a segmented basis.

Thus the process at this level ensures that the all important strategic goals and objectives are set in the context of — 1) the needs of the people; and 2) the resources and ability of the municipality to meet these needs.

### *Administrative Goals and Objectives*

Responsibility for carrying out the strategic goals and objectives formulated by council, or other executive bodies, rests with the professional administrators. To accomplish this purpose, administrators in turn set managerial and operational goals and objectives which must at the same time be congruent within the administrative units and contribute to the strategic goals and objectives determined by council. Council and administrative goals and objectives are distinguishable by the fact that council is concerned with the establishment of programs and the setting of broad policies and priorities; whereas, the administration is concerned with the management of those programs, the allocation of human, material and financial resources, and the achievement of operational efficiency and effectiveness in carrying out the desired programs and policies.

As a result of the greater specificity of administrative goals and objectives, administrators have a more urgent requirement than elected representatives for detailed information concerning the performance of their respective departments, branches, and divisions, so that they can determine areas where improvement is required and select the most favourable alternatives for achieving desired objectives.

At least eight steps are involved in the process of setting administrative goals and objectives. They are:

- 1 Analysis and definition of the real aims and purposes of the departments or divisions which actually provide services to the public or to the elected body. Why does each department or division exist? What is it attempting to achieve in both the long and short term?
- 2 Determination of the way in which the department can best accomplish the strategic goals and objectives which fall within the departmental area of responsibility, the role and goals and objectives of support departments and divisions within the municipal administration, and the way in which departments can best combine to accomplish programs requiring mutual input;
- 3 Establishment of a framework of key result areas for each departmental activity;
- 4 The setting of managerial goals and objectives for each key result area;
- 5 A systematic search for potential ways to improve operational performance in the accomplishment of objectives;
- 6 Allocation of resources to the agreed upon areas where performance improvement is deemed desirable or necessary;
- 7 The setting up of a system of planning and review necessary to monitor progress towards objectives;
- 8 Communication of the administrative goals and objectives of the department to all personnel within the department and to other departments which may require this information.

The output from the senior administrative level in the process of goal and objective setting includes specific goals and objectives for the departments and divisions. Goals and objectives set at this level will provide a system with the potential to increase the efficiency and effectiveness of the municipal administration and should enable the local authority to make better use of its resources.

In addition, goals and objectives set at the senior administrative level will provide the scope for identification of goals and objectives at succeeding administrative levels within the municipality. At the senior administrative levels objectives will be broader in scope. At the lower levels objectives will be narrower in scope and will tend to be more operationally oriented. The Municipal Maintenance Management System, in use in a number of Ontario municipalities, is an example of a performance indicator system at the operational level. It is essential that objectives at the various administrative levels be integrated both horizontally and vertically.

Specific benefits of a system of goals and objectives at the administrative level include:

- allocation of responsibilities for the achievement of council goals and objectives among and within municipal departments;
- clarification of the services actually desired by the public and clear objectives involving the provision of those services;
- economy through the removal of duplication of activities and the potential to allocate human, material, and financial resources to areas of most urgent requirement within the municipal administration;
- clarification of the role and goals and objectives of support departments in assisting service departments to achieve their goals and objectives in the most effective and economical manner;
- the determination of indicators of achievement and check points which will serve as guides for the administration in recognizing areas where trouble is being encountered and for subsequent planning purposes;
- the potential for integrated goal and objective achievement throughout the administration, providing for unity and co-operation between administrators where required.

Administrators will also obtain, analyze and clarify information required by council for strategic decision-making. This will include information about each department's present performance and future capability as well as environmental information and details regarding the impact of provincial legislation and existing by-laws on the potential scope of municipal decision-making. Both administration and elected bodies will have some indicators of achievement and costs which should enable them to make better decisions than are possible under the present circumstances.

### *Goals and Objectives for Individual Managers*

The previous two subsystems have been concerned primarily with planning and co-ordination within the municipal organization, whereas this third subsystem focuses upon the individual manager. Each manager will set goals and objectives for himself, congruent with those of other managers who interact with him and contributing to strategic and administrative goals and objectives. It follows that, if the individual manager sets objectives effectively and achieves those objectives, the division or department is likely to achieve its objectives, which in turn contribute to the accomplishment of strategic goals and objectives.

The goal and objective setting process at the individual manager level can be identified in the form of six steps. These are:

- 1 Awareness of the strategic and administrative goals and objectives of the municipality;
- 2 In light of the above, and with the assistance of others, a definition of the general scope and purpose of the position;
- 3 The establishment of objectives for the position;
- 4 Co-ordination of objectives with those of the immediate manager and fellow managers;
- 5 The formulation of a plan of action necessary to convert the objectives into achievable results;
- 6 Periodic reviews to determine progress and possible revision of objectives.

At this level the information required for decision-making is more detailed than at the other two levels of the system. In addition to information concerning the responsibility and authority of the position, and goals and objectives set by council and other administrators, the individual manager needs performance information from his own area of responsibility and a good understanding of the potential of the human resources under his supervision.

The process of goal and objective setting at the individual level highlights those activities which need improvement, problem areas that may not be apparent and areas where innovation is required. By focusing effort and attention on those activities that contribute most to departmental goals, effectiveness of both the individual and the department should be improved.

Some of the benefits to be derived from the use of objectives by individual administrators are:

- individuals within the system are able to concentrate on the critical tasks which influence accomplishment of objectives;
- an administrator understands more clearly what is expected of him in terms of his job responsibilities, as well as gaining an understanding of what is expected of others;
- improvements are made in the areas of administrative planning and control;
- progress reviews become easier to conduct and are more meaningful for both the individual and his superior. This in turn leads to more meaningful training and development strategies;
- the process at this level ties the system together.

The goal and objective system described above indicates the processes and informational input necessary at the various levels of decision-making. Emphasis must be placed on co-operation and co-ordination between both groups and levels of management in the total municipal organization. Each subsystem and step of the process is unique but, for overall effectiveness, goal and objective setting must be regarded as a systematic process. This is not to say that the administrative subsystem follows the elected subsystem or the individual manager subsystem. The process of objective setting should be going on simultaneously, at different levels, so that the objectives of each subsystem can be integrated and co-ordinated during the process.

#### *Monitoring and Evaluation*

At all levels of the system, periodic comprehensive evaluation of the progress towards the stated objectives will be needed and, in fact, constitutes an integral part of the goal and objective setting process.

These periodic reviews will focus attention on progress towards objectives, including the need to perhaps reallocate resources to meet objectives which are behind schedule, or to change objectives which for a variety of reasons may need to be changed.

It is essential to the eventual successful use of the goal and objective setting system that the objectives be used in an on-going fashion and become an integral part of the management and administrative system of the municipality.

#### *A Note on Indicators*

In the past few years considerable attention has been devoted to the area of performance measurement of local government operations. A number of local governments in North America and elsewhere have developed performance measurement systems designed to measure the efficiency and effectiveness of local government operations.

The types of performance measurement in use or under development generally fall into three main areas:

##### **1 Measures of activities.**

These are process-oriented measures which focus on output without any particular regard to either cost or worth of output. These measures include such things as: a) yards of streets paved; b) tons of garbage collected; c) number of cases processed, etc. These indicators can provide a useful starting point in examining the performance of municipal operations.

##### **2 Measures of efficiency.**

These indicators are also process-oriented measures which focus on how economically resources (input) are converted into services or results (output). Examples of efficiency measures are: a) cost per 10,000 gallons of sewage treated; b) manhours required per ton of garbage removed and; c) cost of a service such as mosquito control per 1,000 residents. These indicators provide useful insights into the efficiency of municipal operations but do not consider the worth or value of the output.

##### **3 Measures of effectiveness.**

These indicators are results-oriented measures which focus on the quality of municipal services. Measures of effectiveness include those indicators that focus on how well an objective is accomplished. Some of these indicators focus on effectiveness without regard to cost (percent of crimes solved, accident rate per 1,000 cars, response time for calls, etc.). Other indicators focus on evaluations of the quality of municipal services on the part of citizens.

The area of performance measurement of local government services is very complex. The Project Team, in communication with a number of municipalities and other research groups, has collected a variety of indicators which have been found to be helpful in obtaining a grasp of this critical area of determining the efficiency and effectiveness of the various service areas of local government operations. The most meaningful of these indicators will be incorporated into the objective setting process in the four project municipalities when and where they are found to be useful.

#### **What the System Is Not**

The system of goal and objective setting described above has a number of similarities with two processes which have attracted considerable attention in the recent past, namely, management by objectives and planned program budgeting systems.

While the similarities are more apparent, the differences, which are important, need elaboration. The differences lie in two areas: the conceptual orientation of the goal and objective setting process designed for the present study; and the implementation strategy.

The conceptual orientation of the Local Government Management Project emphasizes the planning and co-ordination dimensions of the process, rather than the evaluation aspects, and views the goal and objective setting process in relationship to other decision-making processes in use in the municipalities. These aspects have often been absent from elements of the two processes mentioned above.

The implementation strategy for the present study takes into account two considerations considered critical to the success of the Project. The first relates to a careful preliminary study of the project municipalities to ensure the process to be introduced integrates effectively with existing systems and processes in use in the municipality.

The second relates to pace of implementation. Care has been taken to ensure the process is introduced in a manner that will allow full understanding on the part of all concerned and that will take into account the ability of the organization to handle changes.

Previous experience with management by objectives and planned program budgeting systems in a variety of public sector organizations has provided valuable insights which have been incorporated into the design of the Local Government Management Project.

## Implementation

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Factors associated with the implementation of the goal and objective setting process are considered to be crucial to the eventual use of the system in the four project municipalities. Considerable thought and study have been devoted to considerations of implementation. The Project Team has investigated the implementation of similar processes in municipal and other public sector organizations in an attempt to ensure that all relevant factors have been taken into account.

Perhaps the most important factor in implementation is the perceived need to introduce the process slowly and carefully. Elected and appointed officials must be aware of each aspect of the process and of means by which they can evaluate the effectiveness of the system. Since they must be able to contribute their ideas to implementation considerations, the system will vary in each municipality. The goal and objective setting process will be integrated into each of the four project municipalities in a manner which best meets the needs of the individual municipality.

In each municipality there is a variety of organizations which will be associated with or have an interest in the Project. Paramount among such organizations are the various municipal unions and civic interest groups. These organizations will be kept informed of the progress of the Project and their advice and observations will be solicited.

Probably the next most important factor is the need for adequate indicators of objective achievement before objective setting can become truly effective. These include the ability to measure achievement as well as the ability to interpret that measurement and transmit the information to the required decision-making level. The attendant information system should be as simple as possible, and non-relevant information and/or unnecessary decision-making mechanisms (e.g. excess committees) should be curtailed.

While the goals and objectives, once thoroughly developed, should be used for budgeting purposes, there are a number of dangers involved in tying them directly to the budget at the outset. Financial costs and benefits of objective achievement are complex issues, and financial pressures too early in the process may encourage

managers to regard the justification of their budgets as the most important rationale for objective setting. This naturally could defeat the purpose of a process more attuned to the planning and integrating requirements of effective administration.

A major constraint on the implementation of the system involves the perceived need to introduce the system at the top administrative level first. When administrators are better able to supply council with the information required for strategic planning in the true sense, then a formal system can be introduced at the elected level with council's consensus. At the same time, lower level administrators can be developing the ability to set goals and objectives which contribute to overall administrative objectives.

Since a goal and objective setting process of the type envisioned forms the basis for a new and inclusive system of management, the perfection of the system will necessarily take a long period of time. Managers require considerable experience in objective setting, which is essentially a planning, forecasting, and integrating process, before they reach a high degree of expertise. The development of indicators of effectiveness in the achievement of objectives is perhaps the most difficult aspect of the process because it requires the development of a special type of information system where the minimum required information is collected, analyzed and directed to the appropriate decision-makers.

Given the desire to meet the needs of each municipality in the development of the goal and objective setting process, it is difficult to provide a specific timetable for the entire Project. The following approximate time frame is meant to indicate general intentions for the Project but they may need to be revised as the Project evolves.

**Implementation (continued)****Project Time Frame**

*August 1974*

Municipal approval and appointment of Project Leaders.

*December 1974*

Complete orientation seminars and study of information systems and decision-making processes in each municipality.

*March 1975*

Complete workshops in objective setting at department head level. Complete initial phase of documentation.

*June 1975*

Development of preliminary set of goals and objectives at the department level.

*December 1975*

Refinement of goals and objectives at the department level.

*March 1976*

Complete workshops in objective setting at council (with council concurrence) and sub-department level. Complete second phase of documentation.

*June 1976*

Development of preliminary set of goals and objectives at council level.

*December 1976*

Refinement of council, department and sub-department goals and objectives.

*March 1977*

Complete workshops in objective setting on the individual manager level. Complete third phase of documentation.

*June 1977*

Development of preliminary set of objectives at individual manager level.

*March 1978*

Refinement of goals and objectives at council, department, sub-department and individual manager level. Complete final plan of documentation.

***Beyond 1978***

Refinement of goal and objective setting and of indicators of achievement should become an ongoing part of the local government management process. Increasingly indicators will be developed which will reflect the reaction of users of services to service levels and the quality of life within the municipality. Public input in these areas should increase public understanding of the impact of both political and administrative decisions upon both the costs and benefits of municipal services.

Thus, while the Project ends in 1978, the process of goal and objective setting at the council, administrative, and individual manager levels will continue as an ongoing part of the local government management process.

## Documentation and Evaluation

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The Local Government Management Project involves the development and implementation of a new and comprehensive system of management in local government. A very important aspect of the introduction of such a system is the determination of its actual impact on the effectiveness of the municipal management. This will be the primary documentation and evaluation goal of the Project.

A major feature of the Project is the uniqueness of each project municipality. One example, among many, is the differing political and administrative structures of the four municipalities. As a result of this uniqueness, the actual processes which are introduced will vary, both with respect to form and method of introduction. It is essential to the success of the Project that the introduction and use of the goal and objective setting process in each of the municipalities is clearly described and the impact on effectiveness traced.

### Forming an Information Base

The initial step in the documentation and evaluation process is the examination and description of the political and administrative processes in each of the four municipalities. The main purpose of this analysis is to obtain a clear indication of the methods of decision-making in current use, the type of information gathered, the degree of analysis of that information, and the use of that information in decision-making. This will require a thorough understanding of each organization in terms of interactions within and between the administrative, elected, and other decision-making components of the municipality.

This information, which should provide a sensitive understanding of the operation of each municipality prior to the introduction of the change process, will provide the necessary base-line information for use in assessing the impact of the change.

A number of techniques will be used to gather the information necessary for the establishment of an information base:

- individuals and groups involved with the delivery of services in each of the municipalities will be interviewed in an attempt to determine what information they are now collecting, and how that information is used in decision-making processes;
- a basic organizational questionnaire will be completed by the Project Leaders in each municipality. This factually oriented information will provide a sound understanding of the structure and operation of each municipality;
- a questionnaire will be completed by individual managers who will be involved in the goal and objective setting process over the next four years.

### Documentation

All phases of the Project, including pre-implementation phases in each of the municipalities, will be thoroughly documented. This documentation includes both a description and analysis of what has happened and will provide guidelines for other municipalities in the implementation of goal and objective systems.

The experiences of the four project municipalities will be recounted in periodic papers over the course of the Project. The first such publication will be available in April 1975.

### Evaluation

Working from the information base previously described, periodic measurements will be made of managers' modes of operation, attitudes, and uses of information. This will provide a picture of what has changed and what the effect of those changes has been in terms of managerial and organizational effectiveness. In addition to these rather subjective measures of Project effectiveness, service levels of operational departments and of support departments will be monitored over the course of the Project. Finally, specific processes of a number of local governments not involved in the Project will be compared to similar processes in the project municipalities.

Apart from the documentation and evaluation component of the Project, many possibilities for more definite and specific conclusions regarding organizational and managerial effectiveness emerge from a study of this magnitude. Careful research will not only indicate the effectiveness of the Project but also should be helpful in drawing more general conclusions about organizational change in local government organizations.

The Project Leaders in the four municipalities, representatives of the Advisory Services Branch of the Ministry of Treasury, Economics and Intergovernmental Affairs, and the Project Team at Queen's have the primary responsibility for ensuring that the process of goal and objective setting is implemented as effectively as possible.

In addition to ongoing communication among individuals in these three groups, periodic workshops are held to review progress to date, discuss mutual areas of interest, and plan future activities.

The primary tasks of each of these three groups, along with the names of persons to contact concerning further information about the Project are given below. Individuals with interest in or questions about the Project are encouraged to obtain further information.

### Project Leaders

The Project Leaders in each municipality will play an important role in both the implementation, and the documentation and evaluation aspects of the Project. Their overall responsibility is to oversee and co-ordinate the implementation of the goal and objective setting process in their respective municipalities. They will essentially become local experts in objective setting.

These responsibilities require that the Project Leaders be very familiar with the process of goal and objective setting, both in theory and practice. This includes an understanding of the experiences of other municipalities with similar projects. The Project Leaders have already attended a one week orientation seminar at Queen's University. In addition, they have been provided with a program of guided reading by the Project Team at Queen's.

Each of the four municipalities has formed an Advisory Task Force to assist the Project Leader with the implementation of the Project. The composition of these task forces varies by municipality.

Further information about the operation of the Project in the four municipalities can be obtained from the respective Project Leaders. They are:

London

Mr. S. Somerville  
The Corporation of the City of London  
P.O. Box 5035  
London, Ont. N6A 4L9  
1-519-679-5430

Ottawa

Mr. A. Miller  
Department of Physical Environment  
The Corporation of the City of Ottawa  
111 Sussex Drive  
Ottawa, Ont. K1N 5A1  
1-613-563-3265

Regional Niagara

Mr. R. Rippey  
The Regional Municipality of Niagara  
150 Berryman Avenue  
St. Catharines, Ont. L2R 6V9  
1-416-685-1571

St. Catharines

Mr. G. Braun  
The Corporation of the City of St. Catharines  
Church and James Streets  
P.O. Box 3012  
St. Catharines, Ont. L2R 7C2  
1-416-684-6371

The Ministry

The Advisory Services Branch of the Ministry of Treasury, Economics and Intergovernmental Affairs is the primary funding agency for the Project. The Ministry's primary responsibility is to oversee the overall co-ordination of the Project. In addition, the Ministry has appointed liaison personnel for each of the project municipalities.

Further information about the Project from the Ministry can be obtained from:

Mr. F. A. Reid  
Manager, Management Practices  
Advisory Services Branch  
Ministry of Treasury, Economics and  
Intergovernmental Affairs  
56 Wellesley St. West  
Toronto, Ontario M7A 1Y7  
1-416-965-7028

Project Team

The Project Team at the School of Business, Queen's University, is primarily responsible for the implementation, documentation and evaluation of the goal and objective setting process in each of the four project municipalities.

Members of the Project Team, working with the Project Leaders, will plan and assist in the implementation of the process in each municipality. The Project Team will document the experiences of the project municipalities in a manner that will allow other municipalities to gain insight into all aspects of the implementation and use of a system of goal and objective setting. Finally, the Project Team will carry out all phases of the evaluation component of the study.

An extensive library of material has been assembled by the Project Team. This material includes books, articles, reports, studies and examples of the application of a wide variety of management and administrative processes to local government. The Project Team will keep abreast of projects similar to the Local Government Management Project.

Further information about the library or other matters relating to the Project Team's role in the Project can be obtained from:

V. N. Macdonald or  
J. R. Nininger  
School of Business  
Queen's University  
Kingston, Ont. K7L 3N6  
1-613-547-2776

# Project Publications

The investigations required for the design of this Project have led to a number of publications. As the Project proceeds and develops over the next four years, additional publications will be forthcoming — originating from the Project Team at the School of Business, Queen's University at Kingston. These publications are available for purchase through the Ontario Government Publication Centre, Ministry of Government Services, 3B-7 MacDonald Block, Queen's Park, Toronto, Ontario, M7A 1N8.

Unless otherwise indicated the publications listed below are in the process of being printed and will be available by February 1975. The attached order form can be used for ordering purposes. The publications will be sent as soon as they become available.

Apart from this Project Overview Statement, the various publications have been grouped into four series.

## Project Overview Statement

This paper describes the Project in overview fashion. It contains a statement of the goal and objectives of the Project, a description of the goal and objective setting process, and the documentation and evaluation processes to be used in the study. Price \$1.00.

## Series A Publications: Project Documentation and Evaluation

The purpose of this series of papers is to describe the experiences of the four project municipalities in the implementation of the system of goals and objectives. This series will also include papers outlining the design of the evaluation process, as well as periodic reports on the evaluation of the Project.

1 *The Initial Stages of the Project, 1972-1974.* This paper traces the Project from its inception in 1972 through various approval stages ending with the approval of the Project by each of the four participating municipalities. April 1975. Price \$2.00.

2 The Project Team has written a number of working papers on the design of the evaluation process being used to determine the effectiveness of the Project in achieving its stated objectives. These working papers can be obtained directly from the Project Principals at Queen's University.

## Series B Publications: Technical Papers

The purpose of this series of papers is to present reasonably concise descriptions of broad areas of municipal management and administration as they relate to various aspects of the Project. These papers, which describe the state of practice and experimentation of the various areas, have been written for elected and appointed local government officials.

- 1 *Broad Community Goal Setting.* A review of the area of broad community goal setting including examples. Annotated bibliography. Price \$2.00.
- 2 *Performance Measurement.* An examination of the topic of performance measurement including examples of indicators in use in a number of municipalities. Annotated bibliography. Price \$2.00.
- 3 *Organizational Development in an Ontario Municipality.* A review of the experiences of one municipality with a behaviourally oriented change program. The paper also reviews the general field of organizational development in municipalities. Annotated bibliography. Price \$2.00.
- 4 *Goal and Objective Setting in Municipalities.* A description of the topic of goal and objective setting in municipalities, including examples. Annotated bibliography. April 1975. Price \$2.00.

### Series C Publications: Case Studies

The purpose of this series is to describe various municipal experiences with programs related to the goal and objective setting process. The case studies are suitable for instructional purposes to focus discussion on the broad areas which the cases represent.

- 1 *Dallas "A"*. The Dallas, Texas experience with broad goal setting involving extensive public participation. The "A" case reviews the program from its inception in 1965 to 1972. Price \$2.00.
- 2 *Dallas "B"*. The Dallas, Texas experience with broad goal setting involving extensive public participation. The "B" case examines the program from 1972 to 1974. Price \$2.00.
- 3 *The New York City Productivity Program*. This case study relates the experience of a large municipality with the introduction of a performance measurement system. April 1975. Price \$2.00.
- 4 *Thunder Bay "A"*. This case traces the introduction of an organizational development program in an Ontario municipality. The "A" case describes the program from its inception in 1972 through 1973. Price \$2.00.
- 5 *Thunder Bay "B"*. This case describes the organizational development program from 1973 to 1974. The case reviews an evaluation session conducted two years into the training to assess the work of the program. April 1975. Price \$2.00.

### Series D Publications: Periodic Papers

The purpose of these papers is to describe various aspects of the Project which are felt to be of interest to municipalities contemplating the introduction of a system of goals and objectives.

- 1 *A Guided Reading Program for Project Leaders and Others*. This paper was prepared for the Project Leaders, and other interested individuals, to aid them in becoming familiar with the complex area of municipal goal and objective setting. This paper contains annotated bibliographies of relevant books, reports, and articles, and indicates suggested reading priorities. April 1975. Price \$2.00.



MINISTRY OF MUNICIPAL AFFAIRS AND HOUSING  
LOCAL GOVERNMENT MANAGEMENT PROJECT

**DEPOSITORY LIBRARY MATERIAL**

The Local Government Management Project (LGMP), a four-year co-operative project designed to explore methods of improving management in local government in Ontario, has now been completed. The Project was sponsored jointly by the Province of Ontario and four Ontario municipalities -- the Cities of London, Ottawa, and St. Catharines and the Regional Municipality of Niagara.

A team from Queen's University designed, implemented, documented and evaluated the Project, assisted by staff from each of the municipalities. The Project was co-ordinated by the Province.

The setting of goals and objectives was introduced as an initial intervention technique and subsequent efforts at management improvement were developed in response to problems as they were identified during the progress of the Project.

As the Project municipalities differed from each other in population, size, and political and administrative structure, some aspects of the LGMP experience may not be applicable to municipalities generally in Ontario. Many of the things learned, however, appear to be general enough to apply to most municipal managers -- chief administrative officers, municipal clerks, treasurers, heads of technical departments, and so on. It was discovered, for instance, that goals and objectives can be used in many distinct ways in management, depending upon the individual manager's style, functional area, and the type of problems to be resolved.

The Project resulted in the production of 12 publications. A brief description of each of the publications is set out on the following pages. An order form is also included for the convenience of anyone wishing to purchase the publications.

The Local Government Management Project presented an exciting challenge to those involved in it. A great deal was learned about the operation of Ontario municipalities and how organizational and administrative change takes place. The knowledge that has been gained from the experience should provide valuable assistance to students of local government and to councillors and administrators, consultants, and others who are concerned with improving the efficiency and effectiveness of local government.



## LGMP PUBLICATIONS

✓ PROJECT OVERVIEW STATEMENT. December 1974,  
Reprinted June 1975, 21 pp. Price \$1.00

CA 2 0 N  
TR 825  
-74P55

Describes the Project in overview fashion. It contains a statement of the goal and objectives of the project, a description of the goal-and-objective-setting process, and the documentation and evaluation processes to be used in the study.

### SERIES "A" PUBLICATIONS: PROJECT DOCUMENTATION AND EVALUATION

This series of papers describes the experiences of the four Project municipalities, analyses the experiences, and indicates their possible relevance to other municipalities. This series also includes papers outlining the design of the evaluation process, as well as periodic reports on the evaluation of the Project.

1. ✓ The LGMP Experience: Phase I: Assessing Readiness for Organizational Change in Local Government. January 1977, 69 pp. Price \$2.00

CA 2 0 N  
TR 826  
-77L33

This paper traces the Project from its inception in 1972 through various approval stages ending with the approval of the Project by each of the four participating municipalities.

2. ✓ The LGMP Experience: Phase II: The Implementation of Organizational Change in Local Government. May 1978, 95 pp. Price \$4.50

CA 2 0 N  
TR 826  
-77L332

This paper traces the Project through its early implementation stages, ending at the termination of the second full year of funding.

3. ✓ The LGMP Experience: Phase III: An Overview of An Experiment in Organizational Change in Local Government. August 1978, 87 pp. Price \$3.50

CA 2 0 N  
TR 826  
-77L333

This publication includes an overall perspective on the LGMP and an evaluation of the total experience. It contains an analysis of the complete project and a section on the broad implications of similar major programs of organizational change for other local government organizations.



- ✓4. The LGMP Experience: Guidelines for Organizational Change in Local Government. April 1977, 173 pp. Price \$4.50

CA 2 ON TR  
826  
- 77L32

As requirements for management improvement were identified, the Project Team attempted to meet training needs and developed working papers explaining the procedures they had used. These working papers, which have been edited and included in one publication, provide a framework or guide for various aspects of organizational change in local government.

#### SERIES "B" PUBLICATIONS: TECHNICAL PAPERS

This series of papers presents reasonably concise descriptions of broad areas of municipal management and administration as they relate to various aspects of the Project. The papers describe the state of practice and experimentation of the various areas and have been written primarily for councillors and local-government officials.

1. ✓ Corporate Management: Its Role in Local Government. June 1978, 47 pp. Price \$3.00

CA 2 ON  
TR 827  
- 77L32

This paper defines the process of corporate management in local government and includes a discussion of a method of approaching a more effective corporate operation.

2. ✓ Improving Management Performance: The Contribution of Productivity and Performance Measurement. November 1977, 143 pp. Price \$5.00

CA 2 ON  
TR 827  
- 77L32

This publication provides an overview of the field of performance measurement, including examples of output measures, fiscal measures, process measures, and methods of program evaluation. Annotated Bibliography.

3. ✓ Management Improvement: A Manager's Guide to the Theory and Process of Individual and Organizational Change. June 1978, 53 pp. Price \$3.00

CA 2 ON  
TR 827  
- 77L32

Describes frameworks for individual and organizational change that seem to be supported by the LGMP experience.



- CA 202  
TR 827  
-77155
4. ✓ **Improving Management Performance: The Role of Management Information.** May 1978, 57 pp. **Price \$3.00**

Discusses the relationship between information and effective management, with particular emphasis upon techniques that individual managers can use to improve their own use of information.

#### SERIES "C" PUBLICATIONS: CASE STUDIES

This series describes various municipal experiences with programs related to the goal-and-objective-setting process. The case studies are suitable for instructional purposes to focus discussion on the broad areas which the cases represent.

- CA 202  
TR 828  
-77156
1. ✓ **Goals for Dallas "A".** May 1975, 41 pp. **Price \$2.00**

The Dallas, Texas, experience with broad goal setting, involving extensive public participation. The "A" case reviews the program from its inception in 1965 to 1972.

- CA 202  
TR 829  
-77157
2. ✓ **Goals for Dallas "B".** May 1975, 21 pp. **Price \$2.00**

The Dallas, Texas, experience with broad goal setting, involving extensive public participation. The "B" case examines the program from 1972 to 1974.

#### SERIES "D" PUBLICATIONS: PERIODIC PAPERS

Describes various aspects of the Project considered to be of interest to municipalities contemplating the introduction of a system of goals and objectives.

- CA 202  
TR 830  
-77158
1. ✓ **Developments in the Management of Local Government -- A Review and Annotated Bibliography.** December 1975, 77 pp. **Price \$2.00**

This paper was prepared to provide local-government managers and elected representatives with a description of current developments in the field of local government. It describes ten areas of development in the management of local government and supplies annotated bibliographies of books, articles, and reports dealing with these areas.

(Prices subject to change without notice.)



**MINISTRY OF MUNICIPAL AFFAIRS AND HOUSING**  
**LGMP PUBLICATION ORDER FORM**

Send to: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Phone No: \_\_\_\_\_ Date: \_\_\_\_\_

Quantity	Title	Unit Price	Total
	Project Overview Statement	\$1.00	
	The LGMP Experience: Phase I	\$2.00	
	The LGMP Experience: Phase II	\$4.50	
	The LGMP Experience: Phase III	\$3.50	
	The LGMP Experience: Guidelines for Organizational Change in Local Government	\$4.50	
	Corporate Management: Its Role in Local Government	\$3.00	
	Improving Management Performance: The Contribution of Productivity and Performance Measurement	\$5.00	
	Management Improvement: A Manager's Guide to the Theory and Process of Individual and Organizational Change	\$3.00	
	Improving Management Performance: The Role of Management Information	\$3.00	
	Goals for Dallas "A"	\$2.00	
	Goals for Dallas "B"	\$2.00	
	Developments in the Management of Local Government -- A Review and Annotated Bibliography	\$2.00	

Payment is required in advance.

Cheque or money order should be made payable to the Treasurer of Ontario.

Send order to: **Publications Centre**  
**880 Bay Street**  
**5th Floor**  
**Toronto, Ontario**  
**M5S 1Z8**

(Telephone 965-6015. Toll-free long-distance 1-800-268-7540, in Northwestern Ontario 0-Zenith 67200.)



## **Local Government Management Project**

# **Publication Order Form**

This order form can be used to order publications of the Local Government Management Project. Orders for all publications can be placed at the present time and will be filled as the publications become available. Enclose payment with this order form. Make cheques payable to Treasurer of Ontario.

Orders should be forwarded to:

Ontario Government Publications Centre  
Ministry of Government Services  
3B-7 MacDonald Block  
Queen's Park  
Toronto, Ontario  
M7A 1N8

<i>Publication Title</i>	<i>Publication Month</i> 1975	<i>Price</i>	<i>No. Copies</i>	<i>Total Price</i>
Project Overview Statement	December (1974)	\$1.00	_____	_____
Series A Publications: Documentation and Evaluation <i>The Initial Stages of the Project</i>	April	\$2.00	_____	_____
Series B Publications: Technical Papers <i>Broad Community Goal Setting</i>	February	\$2.00	_____	_____
<i>Performance Measurement</i>	February	\$2.00	_____	_____
<i>Organizational Development</i>	February	\$2.00	_____	_____
<i>Goal and Objective Setting</i>	April	\$2.00	_____	_____
Series C Publications: Case Studies <i>Dallas "A"</i>	February	\$2.00	_____	_____
<i>Dallas "B"</i>	February	\$2.00	_____	_____
<i>New York City Productivity Program</i>	April	\$2.00	_____	_____
<i>Thunder Bay "A"</i>	February	\$2.00	_____	_____
<i>Thunder Bay "B"</i>	April	\$2.00	_____	_____
Series D Publications: Period Papers <i>Guided Reading Program</i>	April	\$2.00	_____	_____
TOTAL ORDER		_____	_____	_____

Publications should be sent to:

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